

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 2832 - HB 3328

March 9, 2012

SUMMARY OF BILL: Requires, beginning July 1, 2014, each county, city, and school district to post on its website specific information as outlined in the bill. Requires, beginning July 1, 2014, each county, city, and school district to maintain and make publicly available a single, searchable expenditure and revenue website database that allows the public at no cost to review information concerning moneys collected and expended by the county, city, or school district. Specifies the data that is required to be included in the database. Authorizes any citizen who is a resident of a city, county, or school district that fails to comply with this act to file a suit in the appropriate circuit or chancery court.

ESTIMATED FISCAL IMPACT:

Increase Local Expenditures – \$7,075,500/One-Time*
\$3,476,400/Recurring*

Assumptions:

- According to the Comptroller of the Treasury (COT), there are 455 local government entities of which approximately 167 do not have a website.
- According to COT and based on the development and maintenance costs of a similar project completed by Comptroller's Office of Management Services, a one-time development cost of \$1,500 and a \$1,200 recurring maintenance cost would be incurred by each entity to develop a website.
- This would result in a one-time increase in local expenditures of \$250,500 (167 x \$1,500) and a recurring increase in local expenditures of \$200,400 (167 x \$1,200).
- According to COT, a one-time development cost of \$15,000 and a \$7,200 recurring maintenance cost would be incurred by each entity to develop and maintain a searchable database.
- This would result in a one-time increase in local expenditures of \$6,825,000 (455 x \$15,000) and a recurring increase in local expenditures of \$3,276,000 (455 x \$7,200).
- The total one-time increase in local expenditures is estimated to be \$7,075,500 (\$6,825,000 + \$250,500). The total recurring increase in local expenditures is estimated to be \$3,476,400 (\$3,276,000 + \$200,400).
- A small increase in cases in the court system, which will result in additional local government expenditures for processing the cases and additional local government revenue from fees, taxes, and costs collected. These expenditures and revenue are estimated to be not significant.

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*Article II, Section 24 of the Tennessee Constitution provides that: *no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise". The signature is fluid and cursive, with the first name "Lucian" written in a larger, more prominent script than the last name "Geise".

Lucian D. Geise, Executive Director

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